LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6195 NOTE PREPARED: Feb 16, 2005
BILL NUMBER: SB 59 BILL AMENDED: Feb 14, 2005

SUBJECT: Wrongful Acts.

FIRST AUTHOR: Sen. Paul BILL STATUS: CR Adopted - 1st House

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

DEDICATED FEDERAL

Summary of Legislation: (Amended) This bill makes conforming amendments.

Effective Date: (Amended) September 11, 2001 (retroactive).

Explanation of State Expenditures: (Revised) Current statute allows a parent or guardian to take action against a person whose wrongful act or omission caused the injury or death of a child. Current statute also defines a child as an individual who is (1) less than 20 years of age; or (2) less than 23 years of age and enrolled in an institution of higher education or in a vocational school or program. This bill would add additional individuals to this list. They are as follows: (1) military veterans less than 27 years of age that are enrolled in an institution of higher education or a vocational school following active military service; and (2) persons less than 23 years of age and enrolled in an institution of higher education or in a vocational school or program that are engaged in military service.

This bill could potentially increase the number of lawsuits against the state. Furthermore, the bill could increase the number of damage awards that the state would have to pay. Damage awards cannot exceed \$300,000 for the injury to, or death of, one person in any one occurrence and \$5 M for the injury to, or death of, all persons in that occurrence. The Office of the Attorney General reports the amount of damages paid as a result of tort claims submitted and tort claim lawsuits filed against the state for FY 2004 as approximately \$4.7 M.

Any increases in expenditures are dependent on the number of additional lawsuits filed against the state and the settlement amount for each suit.

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Explanation of State Revenues:

Explanation of Local Expenditures: See Explanation of State Expenditures.

Explanation of Local Revenues:

State Agencies Affected: Office of the Attorney General.

Local Agencies Affected: Counties, cities and towns.

Information Sources: Office of the Attorney General.

Fiscal Analyst: Sarah Brooks, 317-232-9559.

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